



Cboe Options Introduces FLEX DAC for Single-Name Options

Reference ID: C2022113001

Overview

Applicable Cboe Exchanges: Cboe Options

Effective December 19, 2022, Cboe Options Exchange ("C1") will enable FLEX Delta-Adjusted at Close ("DAC") orders in single-name equity options. DAC orders are limit orders for FLEX options that execute intraday and receive a delta-adjusted price based on the day's official closing price of the underlying security or index.

Technical Details

Currently, FLEX DAC orders are only supported for ETF/ETN/ETP ("ETP") and index products. On the effective date, FLEX DAC orders will also be enabled for all single-name equity options.

- FLEX DAC orders are only accepted during the Regular Trading Hours session ("RTH").
- Simple (i.e., single-leg) DAC orders in single-name equity options will be prevented from being submitted or executed on their expiration date. This restriction does not apply to complex DAC orders in single-name equity options, or to simple or complex DAC orders in ETP or index options.
- Simple DAC orders in single-name equity options are permitted to be submitted (and executed) only within the last 45 minutes of RTH. DAC orders in single-name equity options will not be accepted if submitted prior to the last 45 minutes of RTH. This restriction does not apply to complex DAC orders in single-name equity options, or to simple or complex DAC orders in ETP and index options, which will be accepted anytime during the RTH session.

If the underlying Official Closing Price ("OCP") is unavailable, the Exchange may not be able to calculate an adjusted price for the initial DAC trade. In such cases, the parties to the DAC trade may mutually agree to the price adjustment.

FLEX DAC orders can be traded by indicating *PriceType* (423) = D. FLEX DAC orders are executed via AIM, SAM, or single-sided auctions. The maximum number of legs on a FLEX DAC order is 99.

Testing Opportunities

This functionality is currently available to test in the C1 certification environment.

Additional Information

For more information, please refer to the following technical specifications:

- [US Options FIX Specification](#)

Please contact the Cboe Trade Desk for support or with any questions.

We appreciate your business. Our trading community inspires and drives our mission of defining markets.

Cboe Trade Desk

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